



MEDIA RELEASE

STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES

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GOVERNOR PROCLAIMS JANUARY 30TH EITC AWARENESS DAY **FEDERAL TAX CREDIT HELPS IMPROVES LIVES OF WORKING LOW INCOME FAMILIES**

NASHVILLE, Tenn.— A statewide push is underway for working Tennesseans to receive millions of dollars that are left unclaimed every year. Last year, more than 588,000 low income families and individuals in the state received the Earned Income Tax Credit (EITC), with refunds totaling \$1.2 billion dollars.

"The federal government estimates that up to 25 percent of the Tennesseans who would have qualified for the Earned Income Tax Credit last year didn't claim it," said Governor Phil Bredesen. "That's why I'm working to help raise awareness of this valuable federal tax refund and why I hope all Tennesseans who qualify to visit a free tax preparation site will do so and take advantage of this benefit."

Governor Bredesen is proclaiming January 30th Tennessee Earned Income Tax Credit Awareness Day and recorded public service announcements that are currently running on radio and television stations across the state. Listeners and viewers are urged to call 2-1-1 to find out where the nearest Volunteer Income Tax Assistance (VITA) site is located. The Department of Human Services is also encouraging clients who participate in the Food Stamp and Families First programs to have their taxes done for free at their local VITA site and claim all of the money they are due. More than 200,000 notices were sent to clients who are eligible for the EITC benefit.

"The Department realizes our clients are working diligently to become self-sufficient," said Commissioner Virginia T. Lodge. "We want to reinforce their efforts by raising awareness about the EITC, which allows low-income families to receive a substantial refund from their federal income taxes."

DHS has teamed up with the United Way's 2-1-1 community services information line, the Tennessee Alliance for Financial Independence and the IRS to direct low income clients to their nearest VITA site location.

The EITC, which was launched in the mid-1970s, is a significant part of the U.S. tax code. Many DHS clients enrolled in the Food Stamp program and in Families First, the state's Temporary Assistance to Needy Families program, will qualify for the EITC. It is a refundable federal income tax credit that provides hundreds, even thousands of dollars to qualified filers each year, depending on family size and income.

"In a time when working families are struggling to make ends meet, they should take advantage of every bit of tax relief the federal government provides," said U.S. Congressman Jim Cooper (D-Nashville). "Too many eligible families don't know about the Earned Income Tax Credit, so we need to do a better job of getting the word out. I hope all eligible Tennesseans will use this tax refund to put some money back into their bank accounts in tough times."

The following lists the maximum credit a single, head of household filer can claim:

Income Qualifications and Refund Examples

| Earned income and adjusted gross income less than: | Maximum Credit: |
|--|-----------------|
| • \$12,880; (\$15,880 if married filing jointly) with no qualifying child | \$438 |
| • \$33,995; (\$36,995 if married filing jointly) with one qualifying child | \$2,917 |
| • \$38,646; (\$41,646 if married filing jointly) with more than one qualifying child | \$4,824 |

For more information on the EITC and local VITA sites, visit www.tn.gov or the Tennessee Alliance for Financial Independence at www.tnafi.org. For more information on DHS and its programs, visit: www.state.tn.us/humanserv.

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